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# Fiduciary Funds

Fiduciary Funds are used to account for assets held by the Commonwealth in a trustee capacity or as an agent for individuals, private organizations or other governments.

## EXPENDABLE TRUST FUNDS:

*Deferred Compensation Trust Fund* — accounts for the net assets held in trust for employees for savings of deferred tax earnings for retirements.

*Unemployment Compensation* — accounts for unemployment taxes collected from employers and held by the United States Treasury in the Federal Unemployment Trust Fund, from which funds are drawn for the payment of benefits to the unemployed.

*Other Expendable Trust* — accounts for various gifts, bequests, and contributions held by the Commonwealth of which both principal and interest may be expended for purposes designated by the donor.

## NONEXPENDABLE TRUST FUNDS:

*Nonexpendable Trust* — accounts for various gifts and bequests held by the Commonwealth, of which only the income may be expended for purposes specified by the donor.

## PENSION TRUST FUNDS:

*Pension Trust Funds* — accounts for the net assets held in trust for the State Employees' and Teachers' Retirement Systems for the payment of retirement, disability and death benefits to members of these retirement systems.

## EXTERNAL INVESTMENT TRUST:

*External Investment Trust* — accounts for the portion of pooled cash held under the custodianship of the Commonwealth for the various local governmental units and other political sub-divisions of the state.

## AGENCY FUNDS:

*Central Agency Funds* — account for cash and investments held or managed by the Commonwealth on behalf of others, annuity contracts held for lottery prize winners, and local option taxes collected but not yet remitted.

*Court Escrow and Client Accounts* — account for assets held in escrow by the Commonwealth's court system pending settlement of outstanding litigation; by the human service departments on behalf of patients, clients and inmates; and for child support payments collected or receivable and not yet remitted to custodial parents.

*Statutory Bonds and Deposits* — account for deposits required from insurance companies and similar organizations doing business within the Commonwealth, to protect citizens against the risk of loss due to business failure.



One of the first female entrepreneurs, Lydia Pinkham began making her vegetable compound in her kitchen for the private use of her friends. After her husband's business failed in the panic of 1873, she and her sons began marketing the tonic commercially selling it as a cure for "female complaints". Made of a variety of roots and herbs in a suspension of 19% alcohol, the vegetable compound was sold worldwide and Mrs. Pinkham became one of the 19th century's most recognizable women. The Pinkham factory in Lynn continued to produce Lydia Pinkham's Vegetable Compound until the company was sold in 1968. Today the building is home to a variety of artists and craftspeople.

Text and photography courtesy of Lynn Historical Society.